

**481—103.14 (10A,99B) Bingo checking account.** A qualified organization whose bingo occasions exceed \$10,000 in annual gross receipts shall maintain a separate bingo checking account. The checking account shall be established within one day of attaining \$10,000.

**103.14(1)** Bingo receipts, less the amount awarded as cash prizes, shall be deposited in the bingo checking account on the same or the next business day after the occasion. Other funds shall not be deposited in the bingo account. Interest earned on deposits in a bingo checking or savings account shall be treated the same as proceeds of bingo occasions.

EXCEPTION: Limited funds of the organization may be deposited to pay initial or unexpected emergency expenses. The amount of nonbingo funds deposited in the bingo account shall not exceed \$7500. Records shall be kept which identify this money.

**103.14(2)** Funds from bingo accounts shall be withdrawn by check. Checks shall be preprinted.

*a.* The following information shall be printed on the face of the check:

- (1) Organization name,
- (2) Consecutive numbers,
- (3) The words “bingo account,” and
- (4) The organization’s gambling license number.

The nature of the payment is to be written on the face of each check or share draft as it is drawn. Each check shall be made payable to a person or an organization and be signed by an authorized representative of the licensee. A check shall not be made payable to “cash,” “bearer,” or any fictitious payee. Table G<sup>1</sup> shows a sample check.

*b.* All checks, including void and voided checks, shall be kept and accounted for.

**103.14(3)** Checks may be drawn on the bingo account for only the following purposes:

- a.* To pay necessary and reasonable expenses incurred in connection with bingo. Wages must be paid by check.
- b.* To disburse net proceeds of bingo for qualified purposes as required by law.
- c.* To transfer proceeds from a bingo checking account to a bingo savings account pending disbursement for a qualified purpose.
- d.* To withdraw initial or emergency funds deposited in the account.
- e.* To pay prizes.

**103.14(4)** A check shall be drawn on the bingo account in both of the following events:

- a.* One qualified organization satisfies the dedication requirement by donating funds to another organization over which the licensed organization has no control; or
- b.* A qualified organization licensee is satisfying the dedication requirement by spending funds to further the charitable, educational, religious, public, patriotic or civic purposes of its own organization.

**103.14(5)** A qualified organization licensee shall not transfer funds from the bingo checking account to any other checking account of the organization.

A flowchart for a bingo checking account is shown on Table H<sup>1</sup>.

This rule is intended to implement Iowa Code sections 99B.2(3) and 99B.7(1)“p.”

[ARC 1929C, IAB 4/1/15, effective 5/6/15]

<sup>1</sup> See forms at end of this chapter.